

LP ACQUISITIONS

REAL ESTATE DEVELOPMENT

November 7, 2017

Ms. Jennifer Armer, Associate Planner
Town of Los Gatos
Community Development Department
110 E. Main Street
Los Gatos, CA 95031
Phone: (408) 354-6872
Email: jarmer@losgatosca.gov

RE: 405 Alberto Way
Architecture and Site Application S-15-056
Conditional Use Permit Application U-15-009
APN 529-23-018

Thank you for scheduling the above-referenced project for the upcoming Planning Commission hearing on December 13, 2017. We are pleased to submit our revised plans for 405 Alberto Way in response to the Town Council's direction from its October 3, 2017 meeting.

PROJECT STATUS

LP Acquisitions, LLC submitted the following applications: Architecture and Site Application 2-15-056, Conditional Use Permit Application U-15-009, and Environmental Impact Report EIR-16-001 for a request to demolish three existing office buildings and the development of a new, two-story office building with below-grade and at-grade parking (the "Project") on the property formerly identified as 401-409 Alberto Way (405 Alberto Way) (the "Site").

During the Planning Commission's review of the Project, we made quite a few design changes to address the Commission's and public's comments. Such changes were considered highlights and were received positively by the Planning Commission. For example, we replaced the proposed building foundation with a concrete superstructure in order to significantly reduce the building height by 5.5 feet on the north side and 6.0 feet on the south side.

We also eliminated the tower elements in response to the Planning Commission and neighbors' concerns that the elements were too prominent, and we eliminated the second-floor exterior balcony on the north (Las Casitas) side of the building. All second-floor exterior balconies face Alberto Way thereby enhancing the design hierarchy of the building to create more definition between the ground and second floor design elements. LP Acquisitions retained the Mission style architecture which maintains the small-town feel of other, nearby commercial developments in Los Gatos and resembles the massing focus on the ground floor and the human scale of the other existing buildings in the immediate neighborhood.

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And in response to both the Town and neighbor concerns with respect to traffic and safety on Alberto Way, and consistent with the Town's Complete Street Ordinance, we are proposing to dedicate a portion of the site for the purpose of widening and straightening Alberto Way, allowing for the addition of both a bike lane in front of the property and an extended right turn lane onto Saratoga-Los Gatos Road (Route 9). We identified locations for detached sidewalk improvements on both the Alberto Way and Saratoga-Los Gatos Road (Route 9) street frontages, and are proposing to install new curb, ramps and crosswalk at the Saratoga-Los Gatos Road (Route 9) to the Highway 17 on ramp. Finally, we included a signal interconnect between Alberto Way/Los Gatos-Saratoga intersection and the Los Gatos Blvd/Los Gatos-Saratoga intersection to expedite traffic flow and to improve safety.

After two years of processing and revising the Project to further reduce the size of the Project and provide for these design changes, the Planning Commission nonetheless denied the Project at its May 10, 2017 meeting on the basis that the Project was still too big. Following the May, 10, 2017 denial, we appealed the Commission's action to the Town Council to review and overturn the Planning Commission's denial of the Project. At its meeting of September 19, 2017, the Town Council accepted public comments on our appeal and began its deliberations regarding the Project. While the Council appreciated some of the revisions and design features incorporated into the Project to further reduce the square footage to 83,000 square feet ("the Second Redesign"), the Council ultimately decided on October 3, 2017 to remand the Project back to the Planning Commission due to the receipt of additional information and with a request to further reduce the size of the Project to 74,260 square feet ("the Third Redesign").

We are submitting a Third Redesign of our Project plans to respond to the Council's direction to further reduce the size of the Project and provide additional design changes as further addressed below. All of the previous design changes remain in the design plans for the proposed Third Redesign.

SUMMARY OF ARCHITECTURAL CHANGES:

Since the October 3, 2017 Town Council meeting, LP Acquisitions initiated a comprehensive effort to redesign our Project for the third time in response to both the Town and neighborhood comments and concerns. Based on the feedback we received from the Town Council and the neighborhood, we revised the architecture to incorporate the following key design modifications:

- We reduced the Project to 74,260 sf in accordance with the Council's direction and reduced the building massing to achieve a further reduction in the size and scale of the building.
- LP Acquisitions and ArcTec met with the Town Staff on October 9th in order to obtain their input and direction in the redesign process. As part of this effort, we presented the additional building size reduction, and Planning Department staff indicated that LP

APPLICANT RESPONSE LETTER

Acquisitions' Third Redesign plan would be consistent with the EIR's Reduced Scale Alternative of 74,260 square feet.

- The proposed 74,260 sf Project would reduce the overall parking spaces from 332 to 298, which is a reduction of 30 garage parking stalls and 4 surface parking stalls. The reduction in garage parking stalls results in a smaller building footprint with a corresponding reduction in excavation. The reduced excavation results in commensurate reductions in the cost of earth movement and off-haul during the construction process. Please see the attached "Revised Project Construction Export Details for 405 Alberto Way which indicates that the proposed Third Redesign will now require an estimated 50,671 cubic yards of cut and all construction staging can occur on site. According to the general contractor, the rough order of magnitude (ROM) savings for earth movement and off-haul alone would be as follows:
 - Concrete structure savings (reduced SF): Basement+elevated deck+Podium = $11,517 \text{ SF} \times \$45/\text{SF} = \$ 518,265$ savings
 - Offhaul savings (reduced volume): Basement $(5,105 \text{ SF} \times 22 \text{ ft} = 112,310 \text{ CF} / 27 \text{ CF/CY} = 4,160 \text{ CY} \times \$35/\text{CY} = \$ 145,600$ savings
 - Miscellaneous basement savings (shoring, waterproofing, MEP/F): Basement+elevated deck+Podium = $11,517 \text{ SF} \times \$30/\text{SF} = \$ 345,510$ savings
 - Reduced square footage for the Building Shell: Building reduced SF 8,740 SF $\times \$250/\text{SF} = \$2,185,000$ savings

With all of the reductions in square footage and reduced grading and off-haul, the Third Redesign would result in a reduction in costs of approximately **\$3.2M to \$3.5M**. Consequently, with the reduction in grading and construction costs, the Third Redesign would be feasible.

- The Third Redesign preserves 38 of the 42 at-grade parking spaces.
- The Third Redesign reflected in the 74,260 square foot building shifts the building away from the northern property line by an additional 30 feet (56 feet in total, taking into consideration the 15 feet required setback plus an additional 11 feet proposed from the Second Redesign earlier this Spring); consequently, the additional building reduction of 8,740 sq. ft (83,000 less 74,260) on the northern side of the property now provides for more expansive mountain view corridors that will be visible from both the street and adjacent properties across Alberto Way.
- The Third Redesign also creates more open space on the northern side of the building for a large dog park and an amenity area for tenants and visitors.

APPLICANT RESPONSE LETTER

- Lastly, the Third Redesign repositions the building entrance to the center of the site allowing the surface parking to be placed more evenly throughout the Project site than under the prior design. This repositioning also creates more open space at the southeast corner of the property for an additional amenity area open to tenants and visitors.

The cumulative design and redesign modifications we have proposed over the last 24 months are designed to respond to the Planning Commission, Town Council and public's comments. The proposed modifications described above are feasible and represent minor revisions and clarifications to the overall project description that will not add significant new information to the Town of Los Gatos 401-409 Alberto Way Draft and Final Environmental Impact Report (EIR). This information will not require recirculation of the EIR because the proposed modifications will further lessen impacts that the Town previously found to be less than-significant as reflected in the EIR's discussion of the Reduced Scale Alternative. Further the changes incorporated into the Project would not involve a new significant environmental impact, a substantial increase in the severity of a prior environmental impact, or a feasible mitigation measure or alternative that we declined to adopt and that will clearly lessen any project impacts. No information provided in our submittal indicates that the Draft EIR was inadequate or conclusory or that the public was deprived of a meaningful opportunity to review and comment on the EIR.

SUMMARY OF COUNCIL DIRECTION TO THE APPLICANT FROM OCTOBER 3, 2017 PUBLIC HEARING

The following summarizes key comments from the Town Council and members of the public that were received after the Council meeting, followed by our response to the comment referred to as, the "Applicant Response."

Town Council Comment: Provide an open space easement/public space (PAPS) for both the dog area on the north side and the new area on the south side adjacent to the parking lot;

Applicant Response: LP Acquisitions agrees to provide open space / public space for a dog area on the north side and an additional new open space area on the south side adjacent to the parking lot available for use by the tenants and the public/neighbors on an informal basis.

Town Council Comment: Reduce square footage to EIR alternative level of 74,260 square feet.

Applicant Response: Please refer to the summary of architectural changes set forth above. As indicated in the summary above, the reduction in square footage is consistent with the EIR Reduced Scale Alternative contained in the EIR. Consequently, the EIR fully evaluated the environmental impacts associated with the Third Redesign proposal.

Town Council Comment: Use Viewglass or similar product to create automatic dimming of the glass in the evening to meet neighborhood light standards

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Applicant Response: The Third Redesign includes Viewglass for building window treatment in order to maintain privacy and reduce lighting impacts to nearby residents.

Town Council Comment: Try to do something with the entry.

Applicant Response: Please refer to the revised east elevation. The main entry retains the elegant two-story element and canopy over the main entry doors to help identify the main entry of the building. The entry has been further improved by providing a more symmetrical look on either side of the main entry element. Equal-sized punched window openings are located on the ground and second floor on each side of the main entry and the dimension of the two-story vertical walls on each side of the main entry are now identical. The change in the main entry design provides for a more easily identifiable main entry and also better frames the main entry than under the Second Redesign.

Town Council Comment: Recess the window further on the second floor to create detail.

Applicant Response: The northern façade of the building has been pulled back one full column bay (30 feet) on the north side so the window line is now further away from the northern property line that abuts the neighboring residential property to the north. Recessed punched windows and trellis features at each punched window opening have been retained from the previous design. As the building is now narrower when viewed from Alberto Way, the repetition of windows on each different façade element has been reduced, giving the building a more elegant look and feel from the prior design.

Town Council Comment: Design and build the building to LEED Gold level;

Applicant Response: The site and building will be designed to LEED Gold equivalency.

Town Council Comment: Increase tree sizing in the front to shield the building sooner from the neighborhood.

Applicant Response: Please refer to the revised landscape plans. We increased the tree sizes in the Second Redesign in several key locations along the Alberto Way side of the building.

Town Council Comment: Provide a condition to allow overflow parking in the surface lot area in off-business hours.

Applicant Response: LP Acquisitions agrees to a condition of approval allowing for nearby residents to use the Project surface lot parking spaces after business hours.

Town Council Comment: Schedule weekly traffic meetings during construction.

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Applicant Response: The Third Redesign reduces the size and footprint of the underground parking structure with a corresponding decrease in the overall parking count by 34 spaces. The reduction in the footprint of the structure and the corresponding reduction in parking spaces provides for an area on the Project site to serve as construction staging, in accordance with the Planning Commission's request in the Second Redesign of the Project. The on-site construction staging area reduces the amount of export off-haul during excavation. Please see the attached "Revised Project Construction Export Details for 405 Alberto Way" and "Revised Project Construction Details for 405 Alberto Way" which further describe the revisions. Additionally, the proposed Construction Plan, which will be formally submitted for review by the Town Council during the permit review stage, provides for weekly construction management meetings with the neighbors.

Fowler Comment Letter: Describe the expected hours for potential tenants. (Fowler letter)

Applicant Response: The proposed hours of operation for tenants in the building are from 7am to 6pm Monday through Friday.

Fowler Comment Letter: Provide information regarding the "high demand" for Class A office space in Los Gatos. Where is the demand coming from, Los Gatos or elsewhere?

Applicant Response: The current Class A office vacancy rate in Los Gatos is less than 1.5%, as indicated in the report generated by Colliers. Please see the attached "Colliers Los Gatos Office Class A Snapshot". Such a low vacancy rate indicates that there is an enormous demand for more Class A office in Los Gatos. The Tech industry is driving the increased office demand in the Silicon Valley with an emphasis on bringing jobs close to housing.

Fowler Comment Letter: Explain why the project objectives could not be met by a building less than 83,000 square feet.

Applicant Response: We provided extensive information in our prior correspondence to the Town explaining why the 74,260 square foot building was determined to be infeasible. With the further adjustments to the building design and reduction in excavation, we have been able to substantially reduce the costs of construction for the 74,260 square foot building so that it would be feasible from a cost and technological perspective as further explained above.

Town Council Comment: Please clarify the Caltrans encroachment permit process and when Caltrans will provide input regarding the proposed improvements within Caltrans right-of-way.

Applicant Response - In the attached letter dated November 1, 2017 (the "Hexagon Letter"), Hexagon summarizes the Caltrans encroachment permit process. The proposed widening of Los Gatos-Saratoga Road with the offsite improvements requested by the Town Council will encroach on Caltrans right-of-way, and will therefore require an encroachment permit from Caltrans. Caltrans submitted its comment letter dated June 13, 2016 to the DEIR (see attachment to the Hexagon Letter). Pursuant to Caltrans' *Encroachment Permits Manual*, in

APPLICANT RESPONSE LETTER

order for Caltrans to approve the off-site improvement along Los Gatos-Saratoga Road, LP Acquisitions must apply for an encroachment permit from Caltrans. Once the Project is approved by the Town Council, the Project will submit an encroachment permit application with the design plans and specifications to Caltrans for its review. In its review of the application, Caltrans will work with the applicant and Town staff to review and finalize the design plans. After Caltrans approves the design plans, Caltrans will issue an encroachment permit for the construction of the offsite improvements.

Town Council Comment: Prepare a brief explanation of how the transportation and circulation and parking issues were previously evaluated in the EIR for the project, the 83,000 sf revised plan, and the reduced scale alternative and the 74,260 sf project would not result in new significant impacts.

Applicant Response: Hexagon prepared several technical letters addressing the Project's traffic impacts and the impacts of the 83,000 square foot buildings reflected in the Second Redesign. Hexagon's letter to the Town was peer revised by the Town's traffic consultant and determined to be adequate. Further, since the 74,260 square foot Third Redesign is consistent with the Reduced Scale Alternative evaluated in the EIR, the Third Redesign would not result in any additional traffic impacts compared to those previously evaluated for the Project.

Town Council Comment: Provide technical information as necessary to address the geotechnical aspects of a smaller building footprint and parking garage and how this was addressed in the EIR and subsequent peer reviewed geotechnical reports.

Applicant Response - ENGEO previously prepared an extensive design-level Geotechnical Evaluation for the Project, which was peer-reviewed by AMEC Foster Wheeler. ENGEO's response letter to the peer review comments was accepted by the Town and was used by the Town's EIR consultant to support the analysis in the Town's EIR. The EIR evaluated the geotechnical issues for the proposed Project, and the reduced scale alternative. Subsequently, ENGEO provided responses to public comments as a part of LP's Supplemental Responses Letter dated as of May 9, 2017 with regard to the 83,000 square foot revised plan. ENGEO's comments were peer-reviewed by AMEC, and AMEC concurred with ENGEO's supplemental response letter to the public comments and affirmed the feasibility of the project from a geologic and geotechnical standpoint. Pursuant to its Supplemental Response dated November 1, 2017 which is attached to this letter, ENGEO has reviewed the reduced 74,260 square foot proposed Project, the revised below-grade parking, and the overall reduced footprint. Based on such reductions, ENGEO has concluded that the revisions are expected to further reduce the already negligible potential impacts to surrounding properties. The geotechnical aspects of the Project have been thoroughly assessed and the proposed changes do not result in any new significant impacts, and support the analysis contained in the EIR.

Additional Fowler Comment Letter: Request for complete information about water table on the 405 Alberto Way site and more borings.

APPLICANT RESPONSE LETTER

Applicant Response - Please see the attached ENGEO November 6, 2017 Response to Public Comments. As previously stated the design groundwater level of 12 feet below existing grade is recommended in the project geotechnical report, which was peer-reviewed by AMEC Foster Wheeler as well as the neighbor's engineering representative, Geissler Engineering who concurred with the recommended design groundwater level of 12 feet below existing grade.

We appreciate the Town's consideration of our third revised proposal and look forward to the Planning Commission's action regarding our Project at its December 13, 2017 meeting.

Sincerely,



Shane Arters
Principal & COO

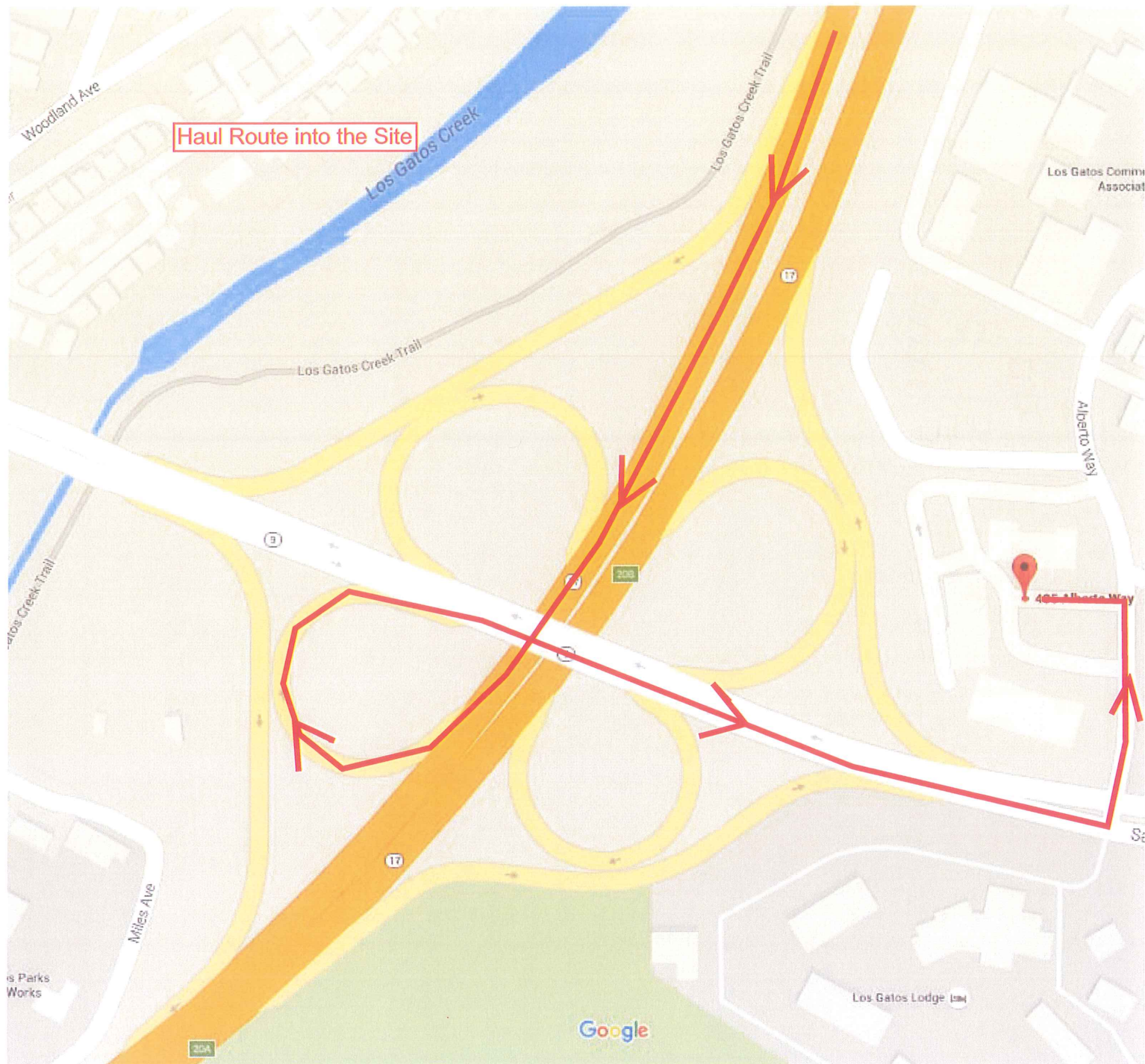
cc: Randy Lamb
Dan Kirby
Jolie Houston
Alicia Guerra
Gary Black
Ollie Zhou
Uri Eliahu
Bob Boeche

Revised Project Construction “Export” Details for 405 Alberto Way
Updated and Revised November 3, 2017

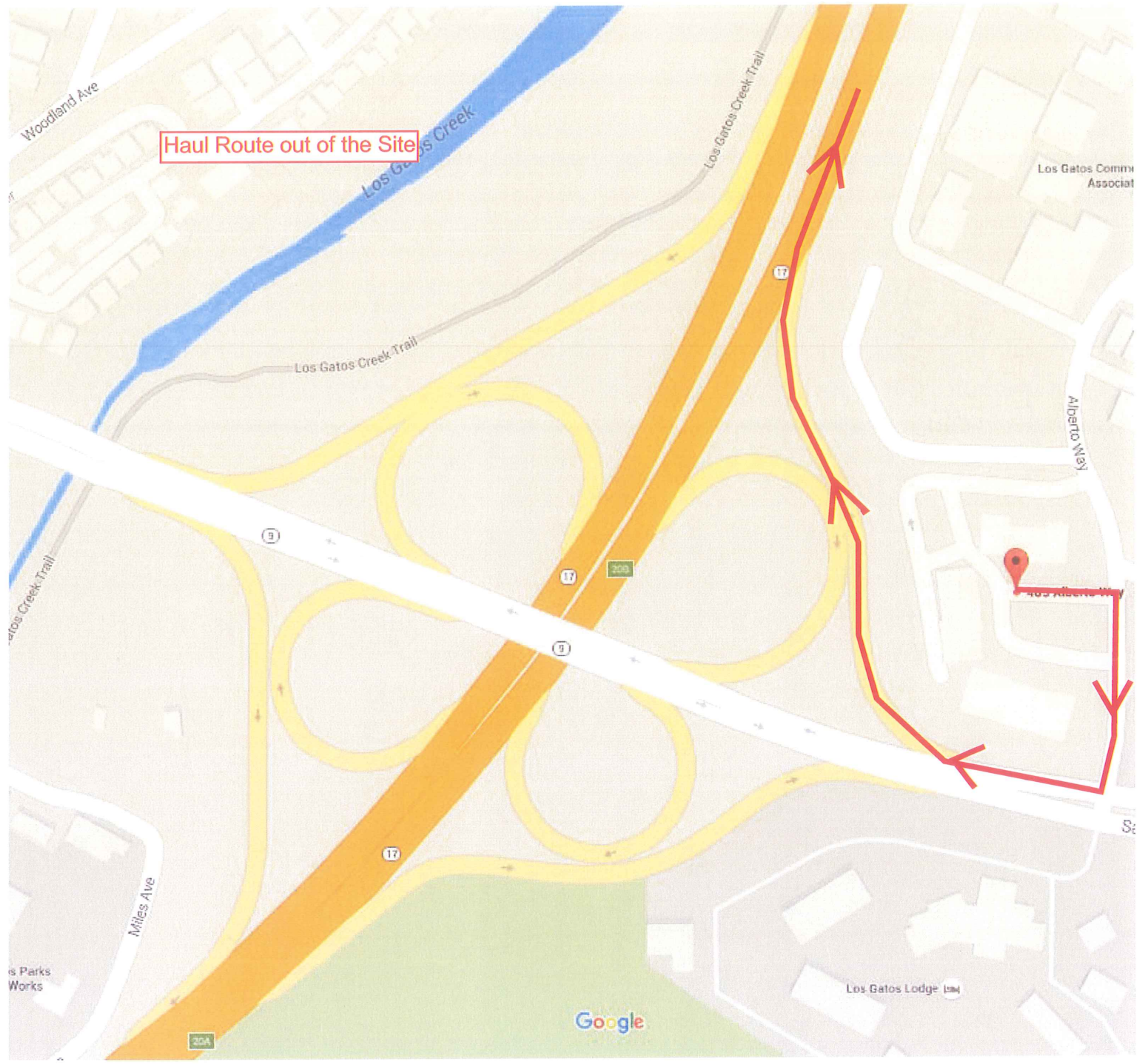
Based on the original design submitted to the Town on July 13, 2016, this project required a total of 69,700 cubic yards of cut; thus, resulting in 6,970 truck trips or 8 weeks of off haul. Then we resubmitted to the Town on March 17, 2017 and the revised redesign required a total of 53,451 cubic yards of cut; thus, resulting in approximately 4,859 to 5,345 truck trips or 5.5 to 6 weeks of off haul.

With the proposed new redesign of this project, this project will now require a total of 50,671 cubic yards of cut and all construction staging can occur on site. One large dump truck can carry 10 cubic yards or 11 cubic yards (with a small diaper trailer); therefore, 4,606 to 5,067 truck trips would be generated. Based on construction industry standards, 200 loads a day would take 23 work days plus a few more days for the potential of slow production. Therefore, it is reasonable to expect that the total export of 50,671 cubic yards would take 23-26 work days, M-F or 4.6 to 5.2 weeks. This results in an additional reduction of 1 week of off haul. See attached haul routes.

In conclusion, our proposed size of the structure has now been reduced to 74,260 sf and the below grade parking garage has also been reduced too. The redesigned project is also referred to as the EIR’s Reduced Scale Alternative. We estimate that construction export/off haul to be approximately 5 weeks, down from 8 weeks.



Haul Route out of the Site



Revised Project Construction Details for 405 Alberto Way
Updated and Revised November 3, 2017

General Construction Timeline:

- Project construction will occur in a single phase with construction commencing in summer 2018.
- All construction staging to occur on site.
- The construction timeframe is 14 to 16 months including all phases from the start of demolition to the completion of all site work.
- Strict Safety measures will be implemented (i.e. minimum of 2 flagmen positioned on Alberto Way during grading and construction, and weekly Community Meetings open to all residents) will ensure rapid ingress/egress of emergency vehicles on Alberto Way and open communication of all Construction processes to residents.

Site Grading:

- The project will require excavation and shoring to accommodate a 2-story underground parking structure.
- See attached export details and route map of dump-truck travel.
- The General Contractor will implement Dust Control Measures which meet the Town standards.
- Estimated timeline for excavation, grading and shoring is 2.75 months.

Underground Garage Construction:

- This phase will include digging footings, preparing the pad, installing drainage and undergrounding, and waterproofing.
- This phase will also include installation of rebar and structural materials to accommodate the concrete floors and sides of the parking structure.
- The top of the parking structure will be the foundation of the building.
- Our General Contractor will work closely with our Structural, Civil and Geotechnical engineers to incorporate the highest construction standards to meet building codes.
- Estimated timeline for this phase is 4 months.

Core & Shell Building Construction:

- This phase will include structural, flooring, skin and roof.
- All connections to public utilities.
- Estimated timeline for this phase is 6 to 7.25 months.

Site Work:

- On-site finished hardscape, concrete sidewalks and paving.
- Landscape including all trees and plants.
- Outside meeting area arbors and dog park.
- Estimated timeline is 1 to 2 months.

Offsite Work:

- This work will be done during the Core & Shell work noted above.
- Estimated timeline for completion is concurrent with Core & Shell.

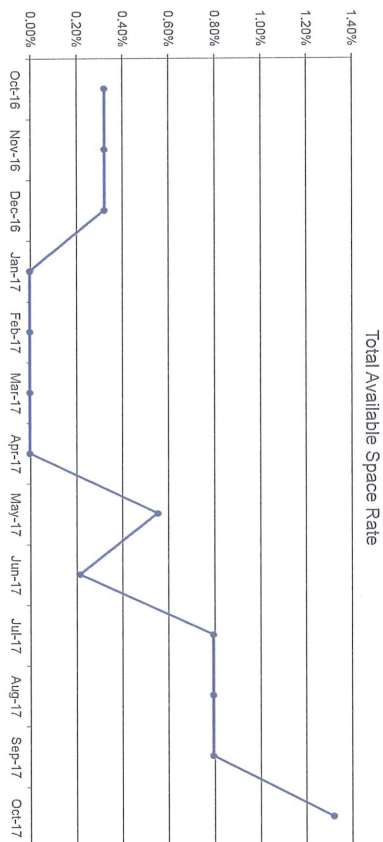
Completion of Construction

- This project is estimated to be completed by late Fall 2019.

MONTHLY SNAPSHOT

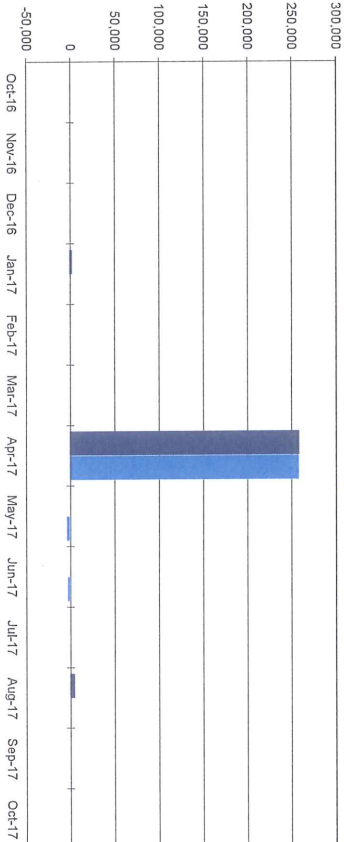
Los Gatos Office Class A
Available Space

Quarter	Date	Direct		Sublease		Direct		Sublease		Total		Building Base
		Vacant	Occupied	Vacant	Occupied	Vacant	Occupied	Vacant	Occupied	Available Space	Available Space Rate	
Q3-17	Oct-17	1,999	0	5,150	4,739	11,888	7,148	0.80%	897,840	1.32%	0.80%	897,840
	Sep-17	1,999	0	5,150	0	7,148	0	0.80%	897,840	0.80%	0.80%	897,840
	Aug-17	1,999	0	5,150	0	7,148	0	0.80%	897,840	0.80%	0.80%	897,840
Q2-17	Jul-17	1,999	0	5,150	0	7,148	0	0.80%	897,840	0.80%	0.80%	897,840
	Jun-17	1,999	0	5,150	0	7,148	0	0.80%	897,840	0.80%	0.80%	897,840
	May-17	3,098	0	1,999	0	5,097	0	0.56%	914,090	0.60%	0.60%	914,090
Q1-17	Apr-17	0	0	0	0	0	0	0.00%	914,090	0.00%	0.00%	914,090
	Mar-17	0	0	0	0	0	0	0.00%	655,340	0.00%	0.00%	655,340
	Feb-17	0	0	0	0	0	0	0.00%	655,340	0.00%	0.00%	655,340
Q4-16	Jan-17	0	0	0	2,137	2,137	0	0.33%	655,340	0.33%	0.33%	655,340
	Dec-16	0	0	0	2,137	2,137	0	0.33%	655,340	0.33%	0.33%	655,340
	Nov-16	0	0	0	2,137	2,137	0	0.33%	655,340	0.33%	0.33%	655,340
Q3-16	Oct-16	0	0	0	2,137	2,137	0	0.33%	655,340	0.33%	0.33%	655,340



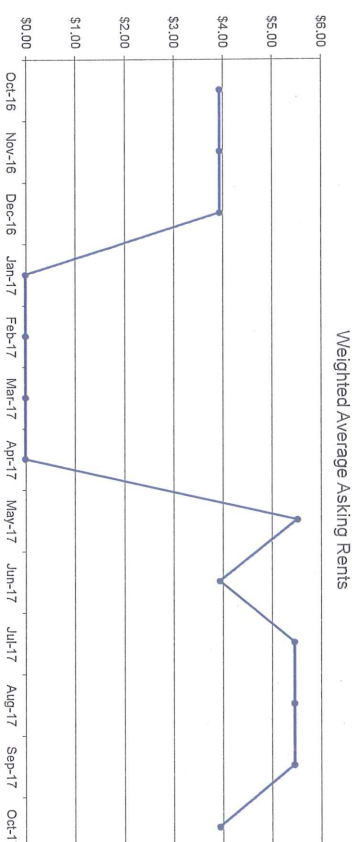
Los Gatos Office Class A
Absorption

Quarter	Date	Gross		Net		Gross		Net	
		Absorption	Quarter	Absorption	Quarter	Absorption	Quarter	Absorption	Quarter
Q3-17	Oct-17	9/1/17 to 10/1/17	0	0	0	4,929	0	0	0
	Sep-17	8/1/17 to 9/1/17	0	0	0	4,929	0	0	0
	Aug-17	7/1/17 to 8/1/17	0	0	0	4,929	0	0	0
Q2-17	Jul-17	6/1/17 to 7/1/17	0	0	0	4,929	0	0	0
	Jun-17	5/1/17 to 6/1/17	0	0	0	4,929	0	0	0
	May-17	4/1/17 to 5/1/17	0	0	0	4,929	0	0	0
Q1-17	Apr-17	3/1/17 to 4/1/17	258,750	258,750	258,750	258,750	258,750	258,750	258,750
	Mar-17	2/1/17 to 3/1/17	0	0	0	258,750	0	0	0
	Feb-17	1/1/17 to 2/1/17	0	0	0	258,750	0	0	0
Q4-16	Jan-17	12/1/16 to 1/1/17	2,557	2,557	2,557	2,557	2,557	2,557	2,557
	Dec-16	11/1/16 to 12/1/16	0	0	0	2,557	0	0	0
	Nov-16	10/1/16 to 11/1/16	0	0	0	2,557	0	0	0
Q3-16	Oct-16	9/1/16 to 10/1/16	0	0	0	2,557	0	0	0



Los Gatos Office Class A
Weighted Average Asking Rents

Quarter	Date	Weighted	
		Rent in \$/sq	ft
Q3-17	Oct-17	\$3.95	
	Sep-17	\$5.46	
	Aug-17	\$5.46	
Q2-17	Jul-17	\$5.46	
	Jun-17	\$3.95	
	May-17	\$5.53	
Q1-17	Apr-17	\$0.00	
	Mar-17	\$0.00	
	Feb-17	\$0.00	
Q4-16	Jan-17	\$0.00	
	Dec-16	\$3.95	
	Nov-16	\$3.95	
Q3-16	Oct-16	\$3.95	





HEXAGON TRANSPORTATION CONSULTANTS, INC.

November 1, 2017

Mr. Randy Lamb
Lamb Partners
535 Middlefield Road, Suite 190
Menlo Park, CA 94025

Subject: *Overview of Caltrans Encroachment Permit Process for Off-Site Improvements*

Dear Mr. Lamb:

Hexagon Transportation Consultants, Inc. has prepared this letter to provide a high-level overview of the Caltrans encroachment permit process for the off-site improvements proposed by the 401-409 Alberto Way office project in Los Gatos, California. At the request of Town staff, the project proposes to widen Los Gatos-Saratoga Road (Highway 9) along its frontage, to provide room for future bike lanes, and to rebuild the sidewalk as a detached walk. These improvements will require an encroachment permit from Caltrans because they are in the Caltrans right-of-way. Caltrans provided a comment letter on the DEIR (dated June 13, 2016, see attachment), which showed these improvements, and appeared to be in support (at least they offered no objections). In fact, Caltrans requested that the project further enhance pedestrian safety by adding flashing beacons to the crosswalk that crosses the northbound Highway 17 on-ramp from Los Gatos-Saratoga Road.

Per Caltrans *Encroachment Permits Manual*¹, the process for Caltrans approval of the off-site improvement along Los Gatos-Saratoga Road is that the project, once approved by Town of Los Gatos, submits an encroachment permit application with design plans to Caltrans. Caltrans will work with the applicant and Town staff to review and finalize the design plans. When the design plans are approved by Caltrans, an encroachment permit will be issued for the construction.

If you have any questions, please do not hesitate to call.

Sincerely,
HEXAGON TRANSPORTATION CONSULTANTS, INC.

Gary K. Black
President

Attachment: *401-409 Alberto Way Office Development Project – Draft Environmental Impact Report*, written by Patricia Maurice, dated June 13, 2016.

¹ See website <http://www.dot.ca.gov/trafficops/ep/manual.html>, accessed on November 1, 2017

STATE OF CALIFORNIA—CALIFORNIA STATE TRANSPORTATION AGENCY

EDMUND G. BROWN Jr., Governor

DEPARTMENT OF TRANSPORTATION

DISTRICT 4

P.O. BOX 23660

OAKLAND, CA 94623-0660

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FAX (510) 286-5559

TTY 711

www.dot.ca.gov

*Serious Drought.
Help save water!*

June 13, 2016

SCLVAR063
SCL/VAR/PM VAR
SCH# 2015122041

Ms. Jennifer Armer
Community Development Department
Town of Los Gatos
110 E. Main Street
Los Gatos, CA 95030

Dear Ms. Armer:

401-409 Alberto Way Office Development Project – Draft Environmental Impact Report

Thank you for continuing to include the California Department of Transportation (Caltrans) in the environmental review process for the above-referenced project. Caltrans' new mission, vision, and goals signal a modernization of our approach to California's State Transportation Network (STN), in which we seek to reduce statewide vehicle miles traveled (VMT) and increase non-auto modes of active transportation. Caltrans plans to increase non-auto mode shares by 2020 through tripling bicycle, and doubling both pedestrian and transit. Also, these targets support the Metropolitan Transportation Commission's (MTC) Sustainable Communities Strategy (SCS), which promotes the increase of non-auto mode shares by ten percentage points and a decrease in automobile VMT per capita by ten percent. Our comments are based on the Draft Environmental Impact Report (DEIR). Please also refer to the previous comment letters on this project and incorporated herein.

Project Understanding

The proposed project is located immediately adjacent to the northbound on-ramp from State Route (SR) 9/Los Gatos Saratoga Road to SR 17 in the northeast quadrant of the interchange. It would demolish the existing 93,500 square-foot (sf) general office complex and replace it with a 93,500 sf general office complex. Access to the project site would be provided via two driveways located on Alberto Way.

Lead Agency

As the lead agency, the Town of Los Gatos (Town) is responsible for all project mitigation, including any needed improvements to State highways. The project's fair share contribution, financing, scheduling, implementation responsibilities and lead agency monitoring should be fully discussed for all proposed mitigation measures.

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Ms. Jennifer Armer/Town of Los Gatos
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Traffic Impacts

1. This development will add trips greater than one percent of capacity on southbound SR 17 during AM and PM peak hours, so will significantly impact the STN and require mitigation. For example, the northbound (NB) SR 17/Saratoga Los Gatos Road diagonal on-ramp and the southbound (SB) SR 17/Saratoga Los Gatos Road loop on-ramp have existing ramp metering equipment installed and are to be further metered in the future with metering rates typically between 240 and 900 vehicles per hour. These additional trips will significantly impact the capacities of these ramps.
2. A closed circuit television (CCTV) camera, ramp metering, and other traffic monitoring are installed in the area of the Saratoga Los Gatos Road (SR 9) on-ramp to NB SR 17. The proposed development has the potential to impact these installations, particularly the conduit which runs to the service connections at Alberto Way. Please refer to the As-Built plans for EA 150264, 151364, and other relevant EAs and field verify locations of the installations and connections, as existing conditions may have changed (e.g., the recent Bridge Rail Replacement Project, EA 1A3404).

Vehicle Trip Reduction

Caltrans encourages the City to locate future housing, jobs, and employee-related services near major mass transit centers with connecting streets configured to facilitate walking and biking. This would promote mass transit use thereby reducing regional VMT and traffic impacts.

1. Transportation Demand Management (TDM) programs should be documented with annual monitoring reports by an onsite TDM coordinator to demonstrate effectiveness. Suggested TDM strategies include working with the Santa Clara Valley Transportation Authority (VTA) to decrease headway times and improve way-finding on bus lines to provide a better connection between the project and regional destinations and providing:
 - Secured bicycle storage facilities.
 - Fix-it bicycle repair station(s).
 - Bicycles for employee uses to access local resources.
 - Amenities, access and connections, incorporate wide sidewalks.
 - Showers, changing rooms and clothing lockers.
 - 10 percent vehicle parking reduction.
 - Carpool and clean-fuel parking spaces.
 - Transportation and commute information kiosk.
 - Outdoor patios, outdoor areas, furniture, pedestrian pathways, picnic and recreational areas.
 - Nearby walkable amenities.
 - Membership in a transportation management association.
 - Kick-off commuter event at full occupancy.
 - Employee transportation coordinator.
 - Transit subsidies and/or transit passes to all employees.
 - Emergency Ride Home program.

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- Transit and trip planning resources.
- Carpool and vanpool ride-matching support.
- Bicycle route mapping resources and incentivize bicycle parking, unbundling of residential parking, and providing transit passes and/or transit subsidies to residents.

These smart growth approaches are consistent with the MTC's Regional Transportation Plan/SCS goals and would meet Caltrans Strategic Management Plan.

2. The project will increase pedestrian demand and proposes to reconstruct the curb ramps and sidewalks, as well as stripe a new crosswalk, at the eastbound Saratoga Los Gatos Road to the NB SR 17 on-ramp. Caltrans recommends the new crosswalk consist of high-visibility, ladder-style markings. The project developer should also coordinate with Caltrans and the Town to provide a rectangular rapid flashing beacon at this location, in order to increase motorist awareness of pedestrians crossing the roadway.
3. The project proposes to provide 395 parking spaces, although a development of this scale and scope is required to provide 372 spaces according to the Town's municipal code. In order to discourage driving, thereby reducing VMT and impacts to the STN, we recommend that the project consider a reduction in parking supply. Reducing parking supply can encourage alternate forms of transportation, reduce regional VMT, and lessen future traffic impacts on SR 17, SR 9, and the STN. Please refer to "Reforming Parking Policies to Support Smart Growth," a MTC study funded by Caltrans, for sample parking ratios and strategies that support compact growth.

Traffic Impact Fees

Given the project's contribution to area traffic and its proximity to SR 17 and SR 9, the project should contribute fair share traffic impact fees to the planned SR 17 ramp metering, future auxiliary lanes, and other improvements to SR 17 and SR 9 to mitigate these impacts. These contributions would be used to lessen future traffic congestion and improve transit in the project vicinity.

Voluntary Contribution Program

We encourage the City to participate in the VTA's voluntary contribution program and plan for the impact of future growth on the regional transportation system. For example, VTA is interested in studying the SR 17 corridor and securing funding for the study. Contributions by the City funding regional transportation programs would improve the transportation system by reducing congestion and improving mobility on major roadways throughout the San Francisco Bay Area.

Traffic Control Plan

Since it is anticipated that vehicular, bicycle, and pedestrian traffic will be impacted during the construction of the proposed project requiring traffic restrictions and detours, a Caltrans-approved Traffic Control Plan (TCP) is required to avoid project-related impacts to the STN. The TCP must also comply with the requirements of corresponding jurisdictions. In addition, pedestrian access through the construction zone must be in accordance with the Americans with

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Disabilities Act (ADA) regulations (see Caltrans' *Temporary Pedestrian Facilities Handbook* for maintaining pedestrian access and meeting ADA requirements during construction at: www.dot.ca.gov/hq/construc/safety/Temporary_Pedestrian_Facilities_Handbook.pdf) (see also Caltrans' Traffic Operations Policy Directive 11-01 "Accommodating Bicyclists in Temporary Traffic Control Zones" at: www.dot.ca.gov/hq/traffops/policy/11-01.pdf). All curb ramps and pedestrian facilities located within the limits of the project are required to be brought up to current ADA standards as part of this project.

For further TCP assistance, please contact the Caltrans District 4 Office of Traffic Management Operations at (510) 286-4579. Further traffic management information is available at the following website:
www.dot.ca.gov/hq/traffops/trafmgmt/tmp_lcs/index.htm.

Encroachment Permit

Please be advised that any work or traffic control that encroaches onto the State right-of-way (ROW) requires an encroachment permit that is issued by Caltrans. To apply, a completed encroachment permit application, environmental documentation, and five (5) sets of plans clearly indicating State ROW must be submitted to: David Salladay, District Office Chief, Office of Permits, California Department of Transportation, District 4, P.O. Box 23660, Oakland, CA 94623-0660. Traffic-related mitigation measures should be incorporated into the construction plans prior to the encroachment permit process. See this website for more information:
www.dot.ca.gov/hq/traffops/developserv/permits.

Should you have any questions regarding this letter, please contact Brian Ashurst at (510) 286-5505 or brian.ashurst@dot.ca.gov.

Sincerely,



PATRICIA MAURICE
District Branch Chief
Local Development - Intergovernmental Review

c: Scott Morgan, State Clearinghouse
Robert Swierk, Santa Clara Valley Transportation Authority (VTA) – electronic copy
Robert Cunningham, Santa Clara Valley Transportation Authority (VTA) – electronic copy

Project No.
12175.000.000

November 2, 2017

Ms. Alicia Guerra
Buchalter Nemer
55 Second Street, Suite 1700
San Francisco, CA 94105

Subject: 401-409 Alberto Way
Los Gatos, California

NOVEMBER SUPPLEMENTAL RESPONSE

Dear Ms. Guerra:

At your request, we prepared this supplemental response letter for your project at 401-409 Alberto Way in Los Gatos, California. Specifically, we are responding to potential project modifications and related geotechnical items.

We previously prepared a design-level geotechnical report for the project (Reference 3), which was peer reviewed by AMEC Foster Wheeler (AMEC, Reference 1). Our response letter to the AMEC peer review comments (Reference 4) was accepted by the Town of Los Gatos. We subsequently prepared a supplemental response-to-comment letter (Reference 5), which was also peer reviewed by AMEC (Reference 2). As stated in Reference 2, AMEC concurred with our supplemental response letter to the public comments and affirmed the feasibility of the subject project from a geologic and geotechnical standpoint.

We understand the proposed size of the structure has been reduced to approximately 74,260 square feet. In addition, the below-grade parking has also been reduced and the footprint of structure has been pulled into the site increasing the distance between the structure and property boundary. These revisions are expected to further reduce the already negligible potential impact to surrounding properties.

The geotechnical aspects of the project site have been thoroughly assessed and the proposed changes do not result in any new significant impacts and support the analysis contained in the EIR for the project.

If you have any questions regarding the contents of this letter, please do not hesitate to contact us.

Sincerely
ENGEO Incorporated


Robert Boeche, CEG


Uri Eliahu, GE




Scott Johns, PE



Attachment: Selected References
SUBJECT TO ATTORNEY DIRECTION – ATTORNEY WORK PRODUCT

SELECTED REFERENCES

1. AMEC; Peer Review – Geotechnical Exploration Report; 401 Alberto Way, Los Gatos, California; November 4, 2015. AMEC Project No. 0084491960.
2. AMEC Foster Wheeler; Geotechnical Peer Review; 401-409 Alberto Way, Los Gatos, California; April 28, 2017. AMEC Project No. 084491960.
3. ENGEO; Geotechnical Exploration; 401 Alberto Way, Los Gatos, California; July 17, 2015 (Revised August 13, 2015). ENGEO Project No. 12175.000.000.
4. ENGEO; Response to AMEC Foster Wheeler Peer Review Comments; 401 Alberto Way, Los Gatos, California; January 11, 2016. ENGEO Project No. 12175.000.000.
5. ENGEO; Supplemental Response to Public Comments; 401-409 Alberto Way, Los Gatos, California; April 19, 2017. ENGEO Project No. 12175.000.000.

SUBJECT TO ATTORNEY DIRECTION – ATTORNEY WORK PRODUCT

12175.000.000
November 2, 2017



— Expect Excellence —

GEOTECHNICAL
ENVIRONMENTAL
WATER RESOURCES
CONSTRUCTION SERVICES

Project No.
12175.000.000

November 6, 2017

Ms. Alicia Guerra
Buchalter Nemer
55 Second Street, Suite 1700
San Francisco, CA 94105

Subject: 401-409 Alberto Way
Los Gatos, California

NOVEMBER 6th RESPONSE TO PUBLIC COMMENTS

Dear Ms. Guerra:

At your request, we prepared this supplemental response letter for your project at 401-409 Alberto Way in Los Gatos, California.

Ms. Loretta Fowler, Secretary, Committee on Alberto Way Development sent two emails to the Town of Los Gatos, attention Jennifer Armer, between November 3 and November 5, 2017, titled "Request for complete information about water table on the 405 site." Our response to Ms. Fowler's comment is as follows:

Ms. Fowler Comment 1

We at The Commons request that new borings be made on the 401-409 Alberto Way site and the readings provided to us and to the Planning Commission. In its initial report, ENGEO failed to address the question of whether the neighboring properties would be adversely affected by the excavation of a two level underground garage on that site. The ENGEO report of 7/17/2015 stated that three exploratory borings were done on 6/27 but data on the water table was given for only the two boring sites on the south side. We have reason to believe that the water table is much higher on the north end of the site, and we want the water table readings there, which will require new borings. This is a very serious issue for the neighbors on Alberto Way and we believe ENGEO has not convincingly addressed it. Peer reviewer Amec Foster Wheeler did not catch this problem even though our expert Dr. Peter Geissler pointed it out.

Before the next Planning Commission hearing, we would like the Town to require that these borings on the north side of the site be done and the readings from them produced to document the depth of the water table. We residents of Alberto Way feel that our properties are at risk and neither the developer's agent ENGEO nor the town's peer reviewer has given due consideration to our concerns.

Thanks for looking into this, Jennifer. We have a different take. Figure 2 in ENGEO's Appendix C does show the borings: B3 on the north end and B 1 and 2 on the south end of the site. In the Boring Logs in Appendix A of this report, B1 went down 15 feet and encountered no groundwater. B2 went down farther and at 21 feet encountered groundwater. But B3 did not measure depth to groundwater due to "caving when removing augers." As I said, we are skeptical and our concern is bolstered by the Santa Clara District Water maps for the area. So, we would like a new boring and readings from the north part of the site, where ENGEO says there is potential for liquefaction, by the way.

SUBJECT TO ATTORNEY DIRECTION – ATTORNEY WORK PRODUCT

ENGEO Response to Comment 1

ENGEO responded to a similar comment in April 2017 (Reference 5). As previously stated in Reference 5, the design groundwater level of 12 feet below existing grade recommended in the project geotechnical report represents a **historic high groundwater level** obtained from maps published by the State of California. The California State map used in design incorporates data provided by the Santa Clara Valley Water District as well as additional sources. Because the project incorporates **historic high groundwater levels** in design, and not the deeper than historic groundwater depths observed during drilling, additional borings as requested by the commenter are not required.

Peer reviewer AMEC Foster Wheeler and the neighbor's engineering representative, Geissler Engineering (Reference 6, Executive Summary and Groundwater Hydrology sections), concurred with the recommended design groundwater level of 12 feet below existing grade.

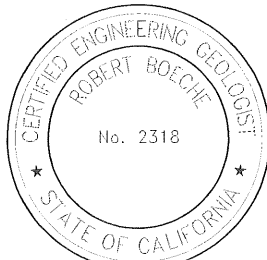
If you have any questions regarding the contents of this letter, please do not hesitate to contact us.

Sincerely

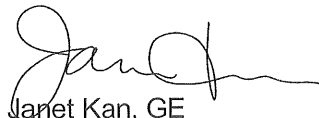
ENGEO Incorporated



Robert H. Boeche, CEG



Scott Johns, PE



Janet Kan, GE



rhb/sj/jk/dt

Attachment: Selected References

SELECTED REFERENCES

1. AMEC; Peer Review – Geotechnical Exploration Report; 401 Alberto Way, Los Gatos, California; November 4, 2015. AMEC Project No. 0084491960.
2. AMEC Foster Wheeler; Geotechnical Peer Review; 401-409 Alberto Way, Los Gatos, California; April 28, 2017. AMEC Project No. 084491960.
3. ENGEO; Geotechnical Exploration; 401 Alberto Way, Los Gatos, California; July 17, 2015 (Revised August 13, 2015). ENGEO Project No. 12175.000.000.
4. ENGEO; Response to AMEC Foster Wheeler Peer Review Comments; 401 Alberto Way, Los Gatos, California; January 11, 2016. ENGEO Project No. 12175.000.000.
5. ENGEO; Supplemental Response to Public Comments; 401-409 Alberto Way, Los Gatos, California; April 19, 2017. ENGEO Project No. 12175.000.000.
6. Geissler Engineering; Hydrology Report; 401-409 Alberto Way, Los Gatos, California, 95032; dated March 31, 2017.

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